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REGULATORY AUTH.

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January 25, 1999

OFFICE OF THE
EXECUTIVE SECRETARY
VIA HAND DELIVERY

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Application of Electric Power Board of Chattanooga
for a Certificate of Public Convenience and Necessity
to Provide Intrastate Telecommunications Services
TRA Docket No. 97-07488

Dear Mr. Waddell:

Please find enclosed the original and thirteen copies of the Proposed Condition to Certificate of Public Convenience and Necessity Relative to Contractual Arrangements submitted on behalf of the TCTA and the Electric Power Board of Chattanooga for filing in the above referenced matter. This document has been signed via facsimile by Mark W. Smith on behalf of the EPB as evidenced by the facsimile copy of the last page. Copies are being served on parties of record.

If you have any questions or concerns regarding this matter, please do not hesitate to contact me.

Very truly yours,

By: 

Charles B. Welch, Jr.

CBWjr:cg

cc: Parties of Record

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**BEFORE THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:

APPLICATION OF ELECTRIC)	
POWER BOARD OF CHATTANOOGA)	DOCKET NO.
FOR A CERTIFICATE OF PUBLIC)	97-07488
CONVENIENCE AND NECESSITY)	
TO PROVIDE INTRASTATE)	
TELECOMMUNICATIONS SERVICES)	

***PROPOSED CONDITION TO CERTIFICATE OF CONVENIENCE
AND NECESSITY RELATIVE TO CONTRACTUAL ARRANGEMENTS
SUBMITTED ON BEHALF OF THE TENNESSEE CABLE
TELECOMMUNICATIONS ASSOCIATION AND THE ELECTRIC
POWER BOARD OF CHATTANOOGA***

The Tennessee Cable Telecommunications Association ("TCTA") and the Electric Power Board of Chattanooga ("EPB"), the Applicant herein, by agreement file this joint proposal for an additional condition to the Applicant's certificate of public convenience and necessity in the event such certificate is granted in this proceeding by the Tennessee Regulatory Authority ("TRA") The following condition is submitted as a proposed provision to the order of the TRA granting the Applicant's certificate of public convenience and necessity The purpose of the proposed condition is to require the EPB to petition the TRA for approval before entering into contractual arrangements with third parties which the TCTA may contend create a partnership or joint venture Although certain joint venture issues were considered during the course of this proceeding, the EPB withdrew these issues from consideration after the rescission of its proposed contract with Globe Telecommunications, Inc The parties hereto agree conceptually to the nature and extent of the

proposed condition, however, there is a disagreement as to the precise language ¹ Accordingly, the parties submit the following for consideration and final determination

No contract or agreement between the Electric Power Board, on behalf of its Telecommunications Division, and any other entity, which provides for the joint ownership or joint ownership of control of assets, [*together with*] the sharing of profits and losses, or the sharing of [*gross*] revenues, shall become effective or enforceable until the Tennessee Regulatory Authority approves such contract or agreement on petition and after notice and opportunity to be heard has been extended to interested parties This provision shall not apply to any service or transaction which is not subject to regulation by the Tennessee Regulatory Authority

Respectfully submitted,

FARRIS, MATHEWS,
BRANAN & HELLEN, P.L.C.

By: Charles B. Welch, Jr.
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The EPB contends that the italicized words should be included in the proposed provision and further contends that without the italicized words the EPB may be required to file petitions on contracts and agreements that are not close to those types of contracts to which the TCTA objects The TCTA contends that these words limit the scope of the issues initially presented to the TRA for determination and should not be included The TCTA submits that the type of agreements contemplated herein represent a potential violation of State law

Docket No 97-07488 - Service List

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By: 

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CERTIFICATE OF SERVICE

I, Charles B. Welch, Jr., hereby certify that I have served a copy of the foregoing document on the parties on the attached list, by depositing copy of same in the U.S. Mail, postage prepaid this the 20th day of January, 1999.


Charles B. Welch, Jr.